



**COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING AND BUILDING
STAFF REPORT**

Tentative Notice of Action

MEETING DATE March 18, 2016 EFFECTIVE DATE April 1, 2016	CONTACT/PHONE Stephanie Fuhs (805)781-5721 sfuhs@co.slo.ca.us	APPLICANT J&R SLO Properties, LLC	FILE NO. DRC2015-00054
SUBJECT A request by J&R SLO PROPERTIES, LLC , for a Minor Use Permit (DRC2015-00054) to allow construction of a 12,400 square foot administrative office building. The project site is Lot 1 of Tract 2368, a commercial service business park subdivision, recorded in 2006. The project will result in disturbance of approximately 1.04 acres of a 1.18 acre parcel. The proposed project is within the Commercial Service land use category and is located at 1025 Farmhouse Lane, adjacent to the southern city limits of the City of San Luis Obispo. The site is in the San Luis Obispo planning area.			
RECOMMENDED ACTION Approve Minor Use Permit DRC2015-00054 based on the findings listed in Exhibit A and the conditions listed in Exhibit B.			
ENVIRONMENTAL DETERMINATION The Environmental Coordinator finds that the previous Mitigated Negative Declaration that was adopted for Tract 2368 is adequate for the purposes of compliance with CEQA because no substantial changes are proposed in the project which will require major revision of the previous Mitigated Negative Declaration, no substantial changes occur with respect to the circumstance under which the project is undertaken which will require major revision of the previous Negative Declaration, and no new information of substantial importance has been identified which was not known at the time that the previous Mitigated Negative Declaration was adopted on August 14, 2003.			
LAND USE CATEGORY Commercial Service	COMBINING DESIGNATION Airport Review Area	ASSESSOR PARCEL NUMBER 076-512-001	SUPERVISOR DISTRICT(S) 3
PLANNING AREA STANDARDS: 22.108.020 - Areawide Standards, 22.108.050 –San Luis Obispo Urban Area Standards <i>Does the project meet applicable Planning Area Standards: Yes - see discussion</i>			
FINAL ACTION This tentative decision will become final action on the project, effective on the 15 th day following the administrative hearing, or on April 1, 2016, if no hearing was requested unless this decision is changed as a result of information obtained at the hearing or is appealed.			
EXISTING USES: Undeveloped			
SURROUNDING LAND USE CATEGORIES AND USES: <i>North:</i> City of San Luis Obispo/Mixed CS uses <i>East:</i> Commercial Service/Commercial Service Uses <i>South:</i> Commercial Service/ Commercial Service Uses <i>West:</i> Public Facilities/SLO County Regional Airport			
OTHER AGENCY / ADVISORY GROUP INVOLVEMENT: The project was referred to: Public Works, Environmental Health, CalFire, Cal Trans, City of San Luis Obispo			
TOPOGRAPHY: Mostly level		VEGETATION: Grasses	
PROPOSED SERVICES: Water supply: Community system Sewage Disposal: Community sewage disposal system Fire Protection: CalFire		ACCEPTANCE DATE: February 2, 2016	

DISCUSSION

PROJECT HISTORY/DISCUSSION

Tract 2368, a 26-lot commercial service planned unit development subdivision, was approved by the Planning Commission in August 2003 and recorded in 2006. The subdivision included 23 developable lots and three parcels to be used for drainage basins, water facilities/storage and infrastructure.

Currently, there is proposed/approved development on fourteen of the parcels in the tract (see table below):

Lot #	Project	Land Use Permit	Building Permit	Finale
1	12,400 sq.ft. office	DRC2015-00054 (Current project)		
5	12,007 sq.ft. commercial office	DRC2013-00082	PMT2013-02709	No
6	13,076 sq.ft. commercial shell bldg.	DRC2012-00059	PMT2012-02202 and 02203 - issued	No
7	9,479 sq.ft. office	DRC2008-00036	PMT2008-01708	Yes
10	12,083 sq.ft. office and 3,000 sq.ft. warehouse	DRC2014-00124		
11	19,664 sq.ft. warehouse and 14,389 sq.ft. warehouse	DRC2015-00013 (Approved) and DRC2015-00056 (Under review)	PMT2015-01263	No
12	10,800 sq.ft. office	DRC2012-00087	PMT2013-00335 - issued	No
14 (APN - 029)	6,366 sq.ft. equipment rental building	DRC2013-00033	PMT2013-02539 – Under review	No
15	25,067 sq.ft. commercial manufacturing bldg.	DRC2013-00004	PMT2013-03198	No
16	9,998 sq.ft wholesale commercial bldg. 3,000 sq.ft. office	DRC2012-00034 and DRC2013-00024	1) PMT2012-01976 and 2) PMT2013-00881	Yes No
17	26,000 sq.ft. manufacturing bldg.	DRC 2012-00014	PMT2012-01094	Yes
19 (APN - 032)	26,378 sq.ft. office	DRC2011-00101	PMT2012-00588	Yes
20 (APN - 030)	46,000 sq.ft. office	DRC2011-00014	PMT2011-00825	Yes
24	7,376 sq.ft restaurants	DRC2013-00106 (Under review)		

The assumptions during review of Tract 2368, in order to provide mitigation measures primarily for water supply and traffic, were that there would be a total of 1,000 employees once all of the parcels were developed. Overall structural development within the subdivision was limited to 500,000 square feet.

Development is proposed on Lot 1 of Tract 2368. The current proposal is for an approximately 12,400 square foot, two-story building to house administrative offices for the processing of insurance claims, human resources, finance, marketing file warehousing and tech support. The project is estimated to employ 35-40 employees once operational.

The proposed project is the seventh to be processed under the Department's recently initiated "Business Assistance Team" program, which has been endorsed by the Board of Supervisors as part of the San Luis Obispo County Clusters of Opportunity Economic Strategy prepared by the Economic Vitality Corporation. Under this process, new or expanding businesses that will provide good jobs within urban areas are essentially given priority processing by the Planning Department, as well as other referral agencies. In this case, the project will provide well-paying jobs in the manufacturing industry at a location adjacent to the City of San Luis Obispo in an approved business tract with existing infrastructure which has adequate public services.

PROJECT ANALYSIS

Ordinance Compliance:

<u>Standard</u>	<u>Allowed/Required</u>	<u>Proposed</u>
Minimum Site Area	None required	1.18 acres
Setbacks Front Side Rear	50 foot front (Highway 227) 10 foot street side 0 foot interior side 0 foot rear	Front – 54 feet Side – 34 feet, 4 inches (Farmhouse Lane side) Side – 170 feet (south side) Rear – 54 feet
Height	35 feet	34 feet, 6 inches
Parking	Office space - 1 space per 400 square feet of floor area 12,400 s.f.) = 31 spaces	62 spaces provided
Signs	100 square feet maximum for the site Monument signs = 4 foot maximum height per original CUP conditions of approval	No specific proposal at this time (Ordinance requirements for signs, including of 100 square foot maximum for site will be enforced)

Landscaping

These standards are superseded by more stringent requirements set forth in the San Luis Obispo planning area standards and conditions of approval from the previous Conditional Use Permit (please see Table 1, attached, detailing the previous conditions of approval and how the project meets each specific condition).

Fencing and Screening

These standards are superseded by more stringent planning area standards and conditions of approval from the previous Conditional Use Permit.

PLANNING AREA STANDARDS

22.108.020 - Areawide Standards:

Applicable standards include undergrounding of utilities, application referral to the City of San Luis Obispo, transit-oriented standards and highway corridor design. As proposed and conditioned, the project meets these standards (see discussion below).

A condition has been added to the project that all utilities shall be installed underground. The application was referred to the City of San Luis Obispo Community Development Department and Public Works Department for review and comment. Transit-oriented standards pertain to projects with employment centers of 100 jobs or more. When the subdivision was being finalized, the applicant at that time paid into a regional transportation fund to provide bus service in the area. The Regional Transit Authority does not have a bus stop next to this subdivision or at the San Luis Obispo Regional Airport, but does have a stop within approximately one mile of the project (at the Marigold Center in the City of San Luis Obispo). Highway corridor design standards were incorporated into the original conditions of approval for the subdivision and the prior Conditional Use Permit including building and landscape corridors, limited fencing, and screening of parking areas.

22.108.050 –San Luis Obispo Urban Area Standards:

Applicable standards include providing an on-site water supply, limitations on use, airport area standards, landscaping standards and an allowance for a reduction in the number of required parking spaces. As proposed and conditioned, the project complies with these standards (see discussion below).

The project is served by the East Airport Fiero Lane Water Company for water and the Fiero Lane Water Company for sewer. With regard to the airport area standards, the subdivision was required to design for dry sewer and water facilities for future connection to City systems if annexed in the future, and is required to have the wastewater system inspected annually.

Office and storage uses are allowable within the Commercial Service land use category with some exceptions outlined in Section 22.96.060(C)(2) of the Land Use Ordinance. The proposed office use is an allowable use within the land use category.

In addition, conditions have been added regarding business license clearance and a limitation on the height of free-standing signs.

Preliminary landscape plans have been designed to comply with planning area standards and previous conditions of approval to screen parking areas using native, drought-tolerant landscape plants and materials along with street trees along the frontage of the public streets.

The required number of parking spaces for the current proposal is 31; the site plan shows 62 spaces. In addition, Low Impact Design (LID) measures have been incorporated into the parking design including bio-swales and retention basins. By incorporating these features into the current parking lot design, it allows for a more comprehensive and effective drainage system which can be constructed at one time.

COMBINING DESIGNATIONS

Airport Review Area (AR)

Properties located in the AR area are required to have Airport Land Use Commission (ALUC) review to allow for a determination of consistency with the Airport Land Use Plan (ALUP). Tract 2368, a 26-lot commercial service planned unit development subdivision was reviewed by the

ALUC on April 4, 2001. The project was found consistent with the ALUP. A few of the design elements of the tract resulted from that review. The most significant is the somewhat perpendicular alignment of Kendall Road with the Runway 7-25 and wide dimension of Kendall Road, free from street light poles and center divider trees. The rationale behind this street alignment was to have an open and suitable area for an aircraft to touchdown in the case of an engine/mechanical failure at either a departure or approach to Runway 7-25. The orientation, alignment and wide dimension of Kendall Road also allows for an Airport Compatible Open Space inside this tract, which according to the ALUP, allows for an increase in non-residential density from 40 people per acre to a maximum of 50 people per acre.

Another notable condition set forth by the ALUC was that future projects within Tract 2368 comply with the current ALUP regarding density. The ALUP allows up to 50 people per acre in Safety Area S-1c, therefore, the allowable density is 50 people x 1.18 acres = 59 people maximum on this site. As previously stated, the project is estimated to employ approximately 35-40 employees once fully staffed and operational at the completion of construction. This number is consistent with and below the maximum number of people allowed on the site by the ALUP. Future development on the property will also need to comply with this density standard.

Condition Compliance with the previously approved CUP

Table 1 (attached to this staff report) provides a detailed analysis of the proposed project's compliance with the prior CUP. In summary, the proposed project complies with the conditions of approval from the earlier CUP. Where applicable, those conditions have been carried forward to this project.

ENVIRONMENTAL DETERMINATION

Since the project was approved in 2003, a new Clean Air Plan was adopted by the Air Pollution Control District (APCD). The conditions of approval incorporate the new policies and standards from the 2009 Clean Air Plan. Conditions of approval have been added accordingly and do not represent a significant change to the previously adopted Mitigated Negative Declaration warranting additional environmental review.

AGENCY REVIEW

Public Works – Recommends conditions for road improvements, stormwater control

CalFire – See attached fire safety plan

Airport Manager – No comments received

Cal Trans – No comments received

Building Division – See attached referral response

LEGAL LOT STATUS

The one lot was legally created by a recorded map (Tract 2368) at a time when that was a legal method of creating lots.